

1 A bill to be entitled
2 An act relating to timeshares; amending s. 721.05,
3 F.S.; revising a definition; amending s. 721.07, F.S.;
4 revising requirements for amendments made to a
5 timeshare instrument; revising requirements for public
6 offering statements; amending s. 721.08, F.S.;
7 revising compliance requirements for the release of
8 certain escrow funds; creating s. 721.125, F.S.;
9 providing for the extension or termination of
10 timeshare plans under certain conditions; providing
11 applicability; amending s. 721.14, F.S.; providing for
12 the transfer of specified reservation system data upon
13 the termination of the managing entity; providing that
14 reasonable costs incurred by the terminated managing
15 entity in effecting the transfer of certain
16 information shall be reimbursed as a common expense;
17 amending s. 721.27, F.S.; revising timeshare unit
18 annual fee requirements; amending s. 721.52, F.S.;
19 revising definitions; amending s. 721.53, F.S.;
20 revising requirements with respect to subordination
21 instruments; deleting a requirement relating to court
22 approval of trustee dispositions of multisite
23 timeshare trust property; providing that a vote of the
24 voting interests of a multisite timeshare plan is not
25 required for substitution or automatic deletion of
26 multisite timeshare trust property; repealing s.

27 721.54, F.S., relating to terms of nonspecific
 28 multisite timeshare plans; amending s. 721.55, F.S.;
 29 revising disclosure requirements for a multisite
 30 timeshare plan public offering statement; amending s.
 31 721.551, F.S.; revising disclosure requirements for
 32 multisite timeshare plan purchaser public offering
 33 statements; amending s. 721.552, F.S.; revising
 34 requirements relating to substitutions and deletions
 35 of component site accommodations or facilities;
 36 amending s. 721.56, F.S.; deleting provisions relating
 37 to the transfer of specified reservation system data
 38 upon the termination of managing entity and costs
 39 incurred by the terminated managing entity; amending
 40 s. 721.57, F.S.; revising language with respect to
 41 timeshare estates in multisite timeshare plans;
 42 amending s. 721.58, F.S.; deleting certain annual fee
 43 requirements for managing entities of multisite
 44 timeshare plans; providing an effective date.

45
 46 Be It Enacted by the Legislature of the State of Florida:

47
 48 Section 1. Subsection (34) of section 721.05, Florida
 49 Statutes, is amended to read:

50 721.05 Definitions.—As used in this chapter, the term:

51 (34) "Timeshare estate" means a right to occupy a
 52 timeshare unit, coupled with a freehold estate or an estate for

53 | years with a future interest in a timeshare property or a
 54 | specified portion thereof, or coupled with. ~~The term includes an~~
 55 | ownership interest in a condominium unit pursuant to s. 718.103,
 56 | an ownership interest in a cooperative unit pursuant to s.
 57 | 719.103, or a direct or indirect beneficial interest in a trust
 58 | that complies in all respects with ~~the provisions of s.~~
 59 | 721.08(2)(c)4. or s. 721.53(1)(e), provided that the trust does
 60 | not contain any personal property timeshare interests. A
 61 | timeshare estate is a parcel of real property under the laws of
 62 | this state.

63 | Section 2. Paragraph (a) of subsection (3) and paragraph
 64 | (gg) of subsection (5) of section 721.07, Florida Statutes, are
 65 | amended to read:

66 | 721.07 Public offering statement.—Prior to offering any
 67 | timeshare plan, the developer must submit a filed public
 68 | offering statement to the division for approval as prescribed by
 69 | s. 721.03, s. 721.55, or this section. Until the division
 70 | approves such filing, any contract regarding the sale of that
 71 | timeshare plan is subject to cancellation by the purchaser
 72 | pursuant to s. 721.10.

73 | (3)(a)1. Any change to an approved public offering
 74 | statement filing shall be filed with the division for approval
 75 | as an amendment prior to becoming effective. The division shall
 76 | have 20 days after receipt of a proposed amendment to approve or
 77 | cite deficiencies in the proposed amendment. If the division
 78 | fails to act within 20 days, the amendment will be deemed

79 approved. If the proposed amendment adds a new component site to
80 an approved multisite timeshare plan, the division's initial
81 period in which to approve or cite deficiencies is 45 days. If
82 the developer fails to adequately respond to any deficiency
83 notice within 30 days, the division may reject the amendment.
84 Subsequent to such rejection, a new filing fee pursuant to
85 subsection (4) and a new division initial review period pursuant
86 to this paragraph shall apply to any refiling or further review
87 of the rejected amendment.

88 2. For filings only subject to this part, each approved
89 amendment to the approved purchaser public offering statement,
90 other than an amendment made only for the purpose of the
91 addition of a phase or phases to the timeshare plan in the
92 manner described in the timeshare instrument or any amendment
93 that does not materially alter or modify the offering in a
94 manner that is adverse to a purchaser, shall be delivered to a
95 purchaser no later than 10 days prior to closing. For filings
96 made under part II, each approved amendment to the multisite
97 timeshare plan purchaser public offering statement, other than
98 an amendment made only for the purpose of the addition,
99 substitution, or deletion of a component site pursuant to part
100 II or the addition of a phase or phases to a component site of a
101 multisite timeshare plan in the manner described in the
102 timeshare instrument or any amendment that does not materially
103 alter or modify the offering in a manner that is adverse to a
104 purchaser, shall be delivered to a purchaser no later than 10

105 days prior to closing.

106 3. For filings only subject to part II, amendments made to
 107 a timeshare instrument for a component site located in this
 108 state are only ~~not~~ required to be delivered to purchasers who ~~do~~
 109 ~~not~~ receive a ~~timeshare estate or~~ an interest in a specific
 110 multisite timeshare plan in that component site. Amendments made
 111 to a timeshare instrument for a component site not located in
 112 this state are not required to be delivered to purchasers.

113 (5) Every filed public offering statement for a timeshare
 114 plan which is not a multisite timeshare plan shall contain the
 115 information required by this subsection. The division is
 116 authorized to provide by rule the method by which a developer
 117 must provide such information to the division.

118 (gg)1. Such other information as is necessary to fairly,
 119 meaningfully, and effectively disclose all aspects of the
 120 timeshare plan, including, but not limited to, any disclosures
 121 made necessary by the operation of s. 721.03(8). ~~However,~~

122 2. If a developer has, in good faith, attempted to comply
 123 with the requirements of this chapter section, and if, in fact,
 124 the developer ~~he or she~~ has substantially complied with the
 125 ~~disclosure~~ requirements of this chapter, nonmaterial errors or
 126 omissions are shall not be actionable, are not violations of
 127 this chapter, and do not give rise to any purchaser cancellation
 128 right.

129 Section 3. Paragraph (c) of subsection (2) of section
 130 721.08, Florida Statutes, is amended to read:

131 721.08 Escrow accounts; nondisturbance instruments;
 132 alternate security arrangements; transfer of legal title.-

133 (2) One hundred percent of all funds or other property
 134 which is received from or on behalf of purchasers of the
 135 timeshare plan or timeshare interest prior to the occurrence of
 136 events required in this subsection shall be deposited pursuant
 137 to an escrow agreement approved by the division. The funds or
 138 other property may be released from escrow only as follows:

139 (c) Compliance with conditions.-

140 1. Timeshare licenses.-If the timeshare plan is one in
 141 which timeshare licenses are to be sold and no cancellation or
 142 default has occurred, the escrow agent may release the escrowed
 143 funds or other property to or on the order of the developer upon
 144 presentation of:

145 a. An affidavit by the developer that all of the following
 146 conditions have been met:

147 (I) Expiration of the cancellation period.

148 (II) Completion of construction.

149 (III) Closing.

150 (IV) Either:

151 (A) Execution, delivery, and recordation by each
 152 interestholder of the nondisturbance and notice to creditors
 153 instrument, as described in this section; or

154 (B) Transfer by the developer of legal title to the
 155 subject accommodations and facilities, or all use rights
 156 therein, into a trust satisfying the requirements of

157 | subparagraph 4. and the execution, delivery, and recordation by
 158 | each other interestholder of the nondisturbance and notice to
 159 | creditors instrument, as described in this section.

160 | b. A certified copy of each recorded nondisturbance and
 161 | notice to creditors instrument.

162 | c. One of the following:

163 | (I) A copy of a memorandum of agreement, as defined in s.
 164 | 721.05, together with satisfactory evidence that the original
 165 | memorandum of agreement has been irretrievably delivered for
 166 | recording to the appropriate official responsible for
 167 | maintaining the public records in the county in which the
 168 | subject accommodations and facilities are located. The original
 169 | memorandum of agreement must be recorded within 180 days after
 170 | the date on which the purchaser executed her or his purchase
 171 | agreement.

172 | (II) A notice delivered for recording to the appropriate
 173 | official responsible for maintaining the public records in each
 174 | county in which the subject accommodations and facilities are
 175 | located notifying all persons of the identity of an independent
 176 | escrow agent or trustee satisfying the requirements of
 177 | subparagraph 4. that shall maintain separate books and records,
 178 | in accordance with good accounting practices, for the timeshare
 179 | plan in which timeshare licenses are to be sold. The books and
 180 | records shall indicate each accommodation and facility that is
 181 | subject to such a timeshare plan and each purchaser of a
 182 | timeshare license in the timeshare plan.

183 2. Timeshare estates.—If the timeshare plan is one in
 184 which timeshare estates are to be sold and no cancellation or
 185 default has occurred, the escrow agent may release the escrowed
 186 funds or other property to or on the order of the developer upon
 187 presentation of:

188 a. An affidavit by the developer that all of the following
 189 conditions have been met:

190 (I) Expiration of the cancellation period.

191 (II) Completion of construction.

192 (III) Closing.

193 b. If the timeshare estate is sold by agreement for deed,
 194 a certified copy of the recorded nondisturbance and notice to
 195 creditors instrument, as described in this section.

196 c. Evidence that each accommodation and facility:

197 (I) Is free and clear of the claims of any
 198 interestholders, other than the claims of interestholders that,
 199 through a recorded instrument, are irrevocably made subject to
 200 the timeshare instrument and the use rights of purchasers made
 201 available through the timeshare instrument;

202 (II) Is the subject of a recorded nondisturbance and
 203 notice to creditors instrument that complies with subsection (3)
 204 and s. 721.17; or

205 (III) Has been transferred into a trust satisfying the
 206 requirements of subparagraph 4.

207 d. Evidence that the timeshare estate:

208 (I) Is free and clear of the claims of any

209 interestholders, other than the claims of interestholders that,
 210 through a recorded instrument, are irrevocably made subject to
 211 the timeshare instrument and the use rights of purchasers made
 212 available through the timeshare instrument; or

213 (II) Is the subject of a recorded nondisturbance and
 214 notice to creditors instrument that complies with subsection (3)
 215 and s. 721.17.

216 3. Personal property timeshare interests.—If the timeshare
 217 plan is one in which personal property timeshare interests are
 218 to be sold and no cancellation or default has occurred, the
 219 escrow agent may release the escrowed funds or other property to
 220 or on the order of the developer upon presentation of:

221 a. An affidavit by the developer that all of the following
 222 conditions have been met:

223 (I) Expiration of the cancellation period.

224 (II) Completion of construction.

225 (III) Closing.

226 b. If the personal property timeshare interest is sold by
 227 agreement for transfer, evidence that the agreement for transfer
 228 complies fully with s. 721.06 and this section.

229 c. Evidence that one of the following has occurred:

230 (I) Transfer by the owner of the underlying personal
 231 property of legal title to the subject accommodations and
 232 facilities or all use rights therein into a trust satisfying the
 233 requirements of subparagraph 4.; or

234 (II) Transfer by the owner of the underlying personal

235 property of legal title to the subject accommodations and
 236 facilities or all use rights therein into an owners' association
 237 satisfying the requirements of subparagraph 5.

238 d. Evidence of compliance with the provisions of
 239 subparagraph 6., if required.

240 e. If a personal property timeshare plan is created with
 241 respect to accommodations and facilities that are located on or
 242 in an oceangoing vessel, including a "documented vessel" or a
 243 "foreign vessel," as defined and governed by 46 U.S.C., chapter
 244 301:

245 (I) In making the transfer required in sub-subparagraph
 246 c., the developer shall use as its transfer instrument a
 247 document that establishes and protects the continuance of the
 248 use rights in the subject accommodations and facilities in a
 249 manner that is enforceable by the trust or owners' association.

250 (II) The transfer instrument shall comply fully with the
 251 provisions of this chapter, shall be part of the timeshare
 252 instrument, and shall contain specific provisions that:

253 (A) Prohibit the vessel owner, the developer, any manager
 254 or operator of the vessel, the owners' association or the
 255 trustee, the managing entity, or any other person from incurring
 256 any liens against the vessel except for liens that are required
 257 for the operation and upkeep of the vessel, including liens for
 258 fuel expenditures, repairs, crews' wages, and salvage, and
 259 except as provided in sub-sub-subparagraphs 4.b.(III) and
 260 5.b.(III). All expenses, fees, and taxes properly incurred in

261 connection with the creation, satisfaction, and discharge of any
 262 such permitted lien, or a prorated portion thereof if less than
 263 all of the accommodations on the vessel are subject to the
 264 timeshare plan, shall be common expenses of the timeshare plan.

265 (B) Grant a lien against the vessel in favor of the
 266 owners' association or trustee to secure the full and faithful
 267 performance of the vessel owner and developer of all of their
 268 obligations to the purchasers.

269 (C) Establish governing law in a jurisdiction that
 270 recognizes and will enforce the timeshare instrument and the
 271 laws of the jurisdiction of registry of the vessel.

272 (D) Require that a description of the use rights of
 273 purchasers be posted and displayed on the vessel in a manner
 274 that will give notice of such rights to any party examining the
 275 vessel. This notice must identify the owners' association or
 276 trustee and include a statement disclosing the limitation on
 277 incurring liens against the vessel described in sub-sub-sub-
 278 subparagraph (A).

279 (E) Include the nondisturbance and notice to creditors
 280 instrument for the vessel owner and any other interestholders.

281 (F) The owners' association created under subparagraph 5.
 282 or trustee created under subparagraph 4. shall have access to
 283 any certificates of classification in accordance with the
 284 timeshare instrument.

285 (III) If the vessel is a foreign vessel, the vessel must
 286 be registered in a jurisdiction that permits a filing evidencing

287 the use rights of purchasers in the subject accommodations and
 288 facilities, offers protection for such use rights against
 289 unfiled and inferior claims, and recognizes the document or
 290 instrument creating such use rights as a lien against the
 291 vessel.

292 (IV) In addition to the disclosures required by s.
 293 721.07(5), the public offering statement and purchase contract
 294 must contain a disclosure in conspicuous type in substantially
 295 the following form:

296 The laws of the State of Florida govern the offering of this
 297 timeshare plan in this state. There are inherent risks in
 298 purchasing a timeshare interest in this timeshare plan because
 299 the accommodations and facilities of the timeshare plan are
 300 located on a vessel that will sail into international waters and
 301 into waters governed by many different jurisdictions. Therefore,
 302 the laws of the State of Florida cannot fully protect your
 303 purchase of an interest in this timeshare plan. Specifically,
 304 management and operational issues may need to be addressed in
 305 the jurisdiction in which the vessel is registered, which is
 306 (insert jurisdiction in which vessel is registered). Concerns of
 307 purchasers may be sent to (insert name of applicable regulatory
 308 agency and address).

309 4. Trust.—

310 a. If the subject accommodations or facilities, or all use
 311 rights therein, are to be transferred into a trust in order to
 312 comply with this paragraph, such transfer shall take place

313 pursuant to this subparagraph. If the accommodations or
 314 facilities included in such transfer are subject to a lease, the
 315 unexpired term of the lease must be disclosed as the term of the
 316 timeshare plan pursuant to s.721.07(5)(f)4.

317 b. Prior to the transfer ~~by each interestholder~~ of the
 318 subject accommodations and facilities, or all use rights
 319 therein, to a trust, any lien or other encumbrance against such
 320 accommodations and facilities, or use rights therein, shall be
 321 made subject to a nondisturbance and notice to creditors
 322 instrument pursuant to subsection (3). No transfer pursuant to
 323 this subparagraph shall become effective until the trustee
 324 accepts such transfer and the responsibilities set forth herein.
 325 A trust established pursuant to this subparagraph shall comply
 326 with the following provisions:

327 (I) The trustee shall be an individual or a business
 328 entity authorized and qualified to conduct trust business in
 329 this state. Any corporation authorized to do business in this
 330 state may act as trustee in connection with a timeshare plan
 331 pursuant to this chapter. The trustee must be independent from
 332 any developer or managing entity of the timeshare plan or any
 333 interestholder of any accommodation or facility of such plan.

334 (II) The trust shall be irrevocable so long as any
 335 purchaser has a right to occupy any portion of the timeshare
 336 property pursuant to the timeshare plan.

337 (III) The trustee shall not convey, hypothecate, mortgage,
 338 assign, lease, or otherwise transfer or encumber in any fashion

339 any interest in or portion of the timeshare property with
 340 respect to which any purchaser has a right of use or occupancy
 341 unless the timeshare plan is terminated pursuant to the
 342 timeshare instrument, or such conveyance, hypothecation,
 343 mortgage, assignment, lease, transfer, or encumbrance is
 344 approved by a vote of two-thirds of all voting interests of the
 345 timeshare plan ~~and such decision is declared by a court of~~
 346 ~~competent jurisdiction to be in the best interests of the~~
 347 ~~purchasers of the timeshare plan. The trustee shall notify the~~
 348 ~~division in writing within 10 days after receiving notice of the~~
 349 ~~filing of any petition relating to obtaining such a court order.~~
 350 ~~The division shall have standing to advise the court of the~~
 351 ~~division's interpretation of the statute as it relates to the~~
 352 ~~petition.~~ Subject to s. 721.552, a vote of the voting interests
 353 of the timeshare plan is not required for substitution or for
 354 automatic deletion of accommodations or facilities.

355 (IV) All purchasers of the timeshare plan or the owners'
 356 association of the timeshare plan shall be the express
 357 beneficiaries of the trust. The trustee shall act as a fiduciary
 358 to the beneficiaries of the trust. The personal liability of the
 359 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
 360 and 736.1015. The agreement establishing the trust shall set
 361 forth the duties of the trustee. The trustee shall be required
 362 to furnish promptly to the division upon request a copy of the
 363 complete list of the names and addresses of the owners in the
 364 timeshare plan and a copy of any other books and records of the

365 timeshare plan required to be maintained pursuant to s. 721.13
 366 that are in the possession, custody, or control of the trustee.
 367 All expenses reasonably incurred by the trustee in the
 368 performance of its duties, together with any reasonable
 369 compensation of the trustee, shall be common expenses of the
 370 timeshare plan.

371 (V) The trustee shall not resign upon less than 90 days'
 372 prior written notice to the managing entity and the division. No
 373 resignation shall become effective until a substitute trustee,
 374 approved by the division, is appointed by the managing entity
 375 and accepts the appointment.

376 (VI) The documents establishing the trust arrangement
 377 shall constitute a part of the timeshare instrument.

378 (VII) For trusts holding property in a timeshare plan
 379 located outside this state, the trust and trustee holding such
 380 property shall be deemed in compliance with the requirements of
 381 this subparagraph if such trust and trustee are authorized and
 382 qualified to conduct trust business under the laws of such
 383 jurisdiction and the agreement or law governing such trust
 384 arrangement provides substantially similar protections for the
 385 purchaser as are required in this subparagraph for trusts
 386 holding property in a timeshare plan in this state.

387 (VIII) The trustee shall have appointed a registered agent
 388 in this state for service of process. In the event such a
 389 registered agent is not appointed, service of process may be
 390 served pursuant to s. 721.265.

391 5. Owners' association.—

392 a. If the subject accommodations or facilities, or all use
 393 rights therein, are to be transferred into an owners'
 394 association in order to comply with this paragraph, such
 395 transfer shall take place pursuant to this subparagraph.

396 b. Prior to the transfer ~~by each interestholder~~ of the
 397 subject accommodations and facilities, or all use rights
 398 therein, to an owners' association, any lien or other
 399 encumbrance against such accommodations and facilities, or use
 400 rights therein, shall be made subject to a nondisturbance and
 401 notice to creditors instrument pursuant to subsection (3). No
 402 transfer pursuant to this subparagraph shall become effective
 403 until the owners' association accepts such transfer and the
 404 responsibilities set forth herein. An owners' association
 405 established pursuant to this subparagraph shall comply with the
 406 following provisions:

407 (I) The owners' association shall be a business entity
 408 authorized and qualified to conduct business in this state.
 409 Control of the board of directors of the owners' association
 410 must be independent from any developer or managing entity of the
 411 timeshare plan or any interestholder.

412 (II) The bylaws of the owners' association shall provide
 413 that the corporation may not be voluntarily dissolved without
 414 the unanimous vote of all owners of personal property timeshare
 415 interests so long as any purchaser has a right to occupy any
 416 portion of the timeshare property pursuant to the timeshare

417 plan.

418 (III) The owners' association shall not convey,
 419 hypothecate, mortgage, assign, lease, or otherwise transfer or
 420 encumber in any fashion any interest in or portion of the
 421 timeshare property with respect to which any purchaser has a
 422 right of use or occupancy, unless the timeshare plan is
 423 terminated pursuant to the timeshare instrument, or unless such
 424 conveyance, hypothecation, mortgage, assignment, lease,
 425 transfer, or encumbrance is approved by a vote of two-thirds of
 426 all voting interests of the association and such decision is
 427 declared by a court of competent jurisdiction to be in the best
 428 interests of the purchasers of the timeshare plan. The owners'
 429 association shall notify the division in writing within 10 days
 430 after receiving notice of the filing of any petition relating to
 431 obtaining such a court order. The division shall have standing
 432 to advise the court of the division's interpretation of the
 433 statute as it relates to the petition.

434 (IV) All purchasers of the timeshare plan shall be members
 435 of the owners' association and shall be entitled to vote on
 436 matters requiring a vote of the owners' association as provided
 437 in this chapter or the timeshare instrument. The owners'
 438 association shall act as a fiduciary to the purchasers of the
 439 timeshare plan. The articles of incorporation establishing the
 440 owners' association shall set forth the duties of the owners'
 441 association. All expenses reasonably incurred by the owners'
 442 association in the performance of its duties, together with any

443 reasonable compensation of the officers or directors of the
 444 owners' association, shall be common expenses of the timeshare
 445 plan.

446 (V) The documents establishing the owners' association
 447 shall constitute a part of the timeshare instrument.

448 (VI) For owners' associations holding property in a
 449 timeshare plan located outside this state, the owners'
 450 association holding such property shall be deemed in compliance
 451 with the requirements of this subparagraph if such owners'
 452 association is authorized and qualified to conduct owners'
 453 association business under the laws of such jurisdiction and the
 454 agreement or law governing such arrangement provides
 455 substantially similar protections for the purchaser as are
 456 required in this subparagraph for owners' associations holding
 457 property in a timeshare plan in this state.

458 (VII) The owners' association shall have appointed a
 459 registered agent in this state for service of process. In the
 460 event such a registered agent cannot be located, service of
 461 process may be made pursuant to s. 721.265.

462 6. Personal property subject to certificate of title.—If
 463 any personal property that is an accommodation or facility of a
 464 timeshare plan is subject to a certificate of title in this
 465 state pursuant to chapter 319 or chapter 328, the following
 466 notation must be made on such certificate of title pursuant to
 467 s. 319.27(1) or s. 328.15(1):

468 The further transfer or encumbrance of the property subject to

469 this certificate of title, or any lien or encumbrance thereon,
 470 is subject to the requirements of section 721.17, Florida
 471 Statutes, and the transferee or lienor agrees to be bound by all
 472 of the obligations set forth therein.

473 7. If the developer has previously provided a certified
 474 copy of any document required by this paragraph, she or he may
 475 for all subsequent disbursements substitute a true and correct
 476 copy of the certified copy, provided no changes to the document
 477 have been made or are required to be made.

478 8. In the event that use rights relating to an
 479 accommodation or facility are transferred into a trust pursuant
 480 to subparagraph 4. or into an owners' association pursuant to
 481 subparagraph 5., all other interestholders, including the owner
 482 of the underlying fee or underlying personal property, must
 483 execute a nondisturbance and notice to creditors instrument
 484 pursuant to subsection (3).

485 Section 4. Section 721.125, Florida Statutes, is created
 486 to read:

487 721.125 Extension or termination of timeshare plans.-

488 (1) Unless the timeshare instrument provides otherwise,
 489 the vote or written consent, or both, of 60 percent of all of
 490 the voting interests in the timeshare plan may extend or
 491 terminate the term of a timeshare plan at anytime. If the term
 492 of a timeshare plan is extended pursuant to this section, all
 493 rights, privileges, duties, and obligations created under
 494 applicable law or the timeshare instrument continue in full

495 force to the same extent as if the extended termination date of
 496 the timeshare plan were the original termination date of the
 497 timeshare plan. If a timeshare plan is terminated pursuant to
 498 this section, the termination has immediate effect pursuant to
 499 applicable law and the timeshare instrument as if the effective
 500 date of the termination were the original date of termination.

501 (2) If a termination or extension vote or consent pursuant
 502 to subsection (1) is proposed for a component site of a
 503 multisite timeshare plan located in this state, the proposed
 504 termination or extension is effective only if the person
 505 authorized to make additions or substitutions of accommodations
 506 and facilities pursuant to the timeshare instrument also
 507 approves the termination or extension.

508 (3) This section applies only to a timeshare plan that has
 509 been in existence for at least 25 years as of the effective date
 510 of the termination or extension vote or consent required by
 511 subsection (1).

512 Section 5. Subsection (4) of section 721.14, Florida
 513 Statutes, is amended to read:

514 721.14 Discharge of managing entity.-

515 (4) (a) An owners' association and a manager or management
 516 firm may, in the management contract or other written document,
 517 agree to the transition procedures and related time periods to
 518 be followed in the event the manager or management firm is
 519 discharged pursuant to this section. If there is no written
 520 agreement between the parties that covers the matters set forth

521 in paragraphs (b) and (c), the provisions of paragraphs (b) and
522 (c) shall apply.

523 (b) Within 90 days after the date on which the manager or
524 management firm is notified by the owners' association of the
525 successful termination vote pursuant to subsection (1), the
526 terminated managing entity shall transfer to the owners'
527 association or new manager or management firm all relevant data
528 held by the managing entity and related to any reservation
529 system for the timeshare plan, including, but not limited to:

530 1. The names, addresses, and reservation status of all
531 accommodations.

532 2. The names and addresses of all purchasers of timeshare
533 interests.

534 3. All outstanding confirmed reservations and reservation
535 requests.

536 4. Such other records and information as is necessary to
537 permit the uninterrupted operation and administration of the
538 timeshare plan. However, the information required to be
539 transferred does not include private information of the
540 terminated managing entity that is not directly related to
541 operation and management of the timeshare plan.

542 (c) All reasonable costs incurred by the terminated
543 managing entity in effecting the transfer of information
544 required by this subsection shall be reimbursed to the
545 terminated managing entity as a common expense of the timeshare
546 plan within 10 days after the completed transfer of the data

547 described in paragraph (b). ~~This section shall not apply to~~
 548 ~~personal property timeshare plans.~~

549 Section 6. Section 721.27, Florida Statutes, is amended to
 550 read:

551 721.27 Annual managing entity fee ~~for each timeshare unit~~
 552 ~~in plan.~~ For each timeshare unit ~~On January 1 of each year, each~~
 553 ~~managing entity of a timeshare plan~~ located in this state, the
 554 managing entity shall collect as a common expense and pay to the
 555 division on January 1 of each year an annual fee of \$2 for each
 556 7 days of annual use availability that exist within the
 557 timeshare plan at that time, ~~subject to any limitations on the~~
 558 ~~amount of such annual fee pursuant to s. 721.58.~~ Only one fee
 559 shall be due and payable for any 7 days of annual use
 560 availability that is included within both a single site
 561 timeshare plan under this part and a multisite timeshare plan
 562 under part II. If any portion of the annual fee is not paid by
 563 March 1, the managing entity may be assessed a penalty pursuant
 564 to s. 721.26.

565 Section 7. Subsections (5) and (7) of section 721.52,
 566 Florida Statutes, are amended to read:

567 721.52 Definitions.—As used in this chapter, the term:

568 (5) "Nonspecific multisite timeshare plan" means a
 569 multisite timeshare plan ~~containing timeshare licenses or~~
 570 ~~personal property timeshare interests,~~ with respect to which a
 571 purchaser receives a right to use all of the accommodations and
 572 facilities, if any, of the multisite timeshare plan through the

573 reservation system, but no specific right to use any particular
 574 accommodations and facilities for the remaining term of the
 575 multisite timeshare plan in the event that the reservation
 576 system is terminated for any reason prior to the expiration of
 577 the term of the multisite timeshare plan.

578 (7) "Specific multisite timeshare plan" means a multisite
 579 timeshare plan ~~containing timeshare licenses or personal~~
 580 ~~property timeshare interests,~~ with respect to which a purchaser
 581 receives a specific right to use accommodations and facilities,
 582 if any, at one component site of a multisite timeshare plan,
 583 together with use rights in the other accommodations and
 584 facilities of the multisite timeshare plan created by or
 585 acquired through the reservation system.

586 Section 8. Paragraph (e) of subsection (1) of section
 587 721.53, Florida Statutes, is amended to read:

588 721.53 Subordination instruments; alternate security
 589 arrangements.—

590 (1) With respect to each accommodation or facility of a
 591 multisite timeshare plan, the developer shall provide the
 592 division with satisfactory evidence that one of the following
 593 has occurred with respect to each interestholder prior to
 594 offering the accommodation or facility as a part of the
 595 multisite timeshare plan:

596 (e) The interestholder has transferred the subject
 597 accommodation or facility or all use rights therein to a trust
 598 that complies with this paragraph. If the accommodation or

599 facility included in such transfer is subject to a lease, the
 600 unexpired term of the lease must be disclosed as the term of
 601 that component site pursuant to s. 721.55(4) (a). Prior to such
 602 transfer, any lien or other encumbrance against such
 603 accommodation or facility shall be made subject to a
 604 nondisturbance and notice to creditors instrument pursuant to
 605 paragraph (a) or a subordination and notice to creditors
 606 instrument pursuant to paragraph (b). No transfer pursuant to
 607 this paragraph shall become effective until the trust accepts
 608 such transfer and the responsibilities set forth herein. A trust
 609 established pursuant to this paragraph shall comply with the
 610 following provisions:

611 1. The trustee shall be an individual or a business entity
 612 authorized and qualified to conduct trust business in this
 613 state. Any corporation authorized to do business in this state
 614 may act as trustee in connection with a timeshare plan pursuant
 615 to this chapter. The trustee must be independent from any
 616 developer or managing entity of the timeshare plan or any
 617 interestholder of any accommodation or facility of such plan.
 618 The same trustee may hold the accommodations and facilities, or
 619 use rights therein, for one or more of the component sites of
 620 the timeshare plan.

621 2. The trust shall be irrevocable so long as any purchaser
 622 has a right to occupy any portion of the timeshare property
 623 pursuant to the timeshare plan.

624 3. The trustee shall not convey, hypothecate, mortgage,

625 assign, lease, or otherwise transfer or encumber in any fashion
 626 any interests in or portion of the timeshare property with
 627 respect to which any purchaser has a right of use or occupancy
 628 unless the timeshare plan is terminated pursuant to the
 629 timeshare instrument, or the timeshare property held in trust is
 630 deleted from a multisite timeshare plan pursuant to s.
 631 721.552(3), or such conveyance, hypothecation, mortgage,
 632 assignment, lease, transfer, or encumbrance is approved by vote
 633 of two-thirds of all voting interests of the timeshare plan.
 634 Subject to s. 721.552, a vote of the voting interests of the
 635 timeshare plan is not required for substitution or automatic
 636 deletion of accommodations or facilities ~~and such decision is~~
 637 ~~declared by a court of competent jurisdiction to be in the best~~
 638 ~~interests of the purchasers of the timeshare plan.~~

639 4. All purchasers of the timeshare plan or the owners'
 640 association of the timeshare plan shall be express beneficiaries
 641 of the trust. The trustee shall act as a fiduciary to the
 642 beneficiaries of the trust. The personal liability of the
 643 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
 644 and 736.1015. The agreement establishing the trust shall set
 645 forth the duties of the trustee. The trustee shall be required
 646 to furnish promptly to the division upon request a copy of the
 647 complete list of the names and addresses of the owners in the
 648 timeshare plan and a copy of any other books and records of the
 649 timeshare plan required to be maintained pursuant to s. 721.13
 650 that are in the possession of the trustee. All expenses

651 reasonably incurred by the trustee in the performance of its
 652 duties, together with any reasonable compensation of the
 653 trustee, shall be common expenses of the timeshare plan.

654 5. The trustee shall not resign upon less than 90 days'
 655 prior written notice to the managing entity and the division. No
 656 resignation shall become effective until a substitute trustee,
 657 approved by the division, is appointed by the managing entity
 658 and accepts the appointment.

659 6. The documents establishing the trust arrangement shall
 660 constitute a part of the timeshare instrument.

661 7. For trusts holding property in component sites located
 662 outside this state, the trust holding such property shall be
 663 deemed in compliance with the requirements of this paragraph, if
 664 such trust is authorized and qualified to conduct trust business
 665 under the laws of such jurisdiction and the agreement or law
 666 governing such trust arrangement provides substantially similar
 667 protections for the purchaser as are required in this paragraph
 668 for trusts holding property in a component site located in this
 669 state.

670 8. The trustee shall have appointed a registered agent in
 671 this state for service of process. In the event such a
 672 registered agent is not appointed, service of process may be
 673 served pursuant to s. 721.265.

674 Section 9. Section 721.54, Florida Statutes, is repealed.

675 Section 10. Paragraphs (a) and (h) of subsection (4),
 676 subsection (5), and paragraph (1) of subsection (7) of section

677 721.55, Florida Statutes, are amended to read:

678 721.55 Multisite timeshare plan public offering
 679 statement.—Each filed public offering statement for a multisite
 680 timeshare plan shall contain the information required by this
 681 section and shall comply with the provisions of s. 721.07,
 682 except as otherwise provided therein. The division is authorized
 683 to provide by rule the method by which a developer must provide
 684 such information to the division. Each multisite timeshare plan
 685 filed public offering statement shall contain the following
 686 information and disclosures:

687 (4) A text, which shall include, where applicable, the
 688 information and disclosures set forth in paragraphs (a)-(l).

689 (a) A description of the multisite timeshare plan,
 690 including its term, legal structure, ~~and form of ownership, and~~
 691 ~~For multisite timeshare plans in which the purchaser will~~
 692 ~~receive a timeshare estate pursuant to s. 721.57 and for~~
 693 ~~specific multisite timeshare plans, the description must also~~
 694 ~~include~~ the term of each component site within the multisite
 695 timeshare plan. The term of each component site that is shorter
 696 than the term of the multisite timeshare plan must be disclosed
 697 in conspicuous type.

698 (h) A description of the purchaser's liability for common
 699 expenses of the multisite timeshare plan, including the
 700 following:

701 1. A description of the common expenses of the plan,
 702 including the method of allocation and assessment of such common

703 expenses, whether component site common expenses and real estate
 704 taxes are included within the total common expense assessment of
 705 the multisite timeshare plan, and, if not, the manner in which
 706 timely payment of component site common expenses and real estate
 707 taxes shall be accomplished.

708 2. A description of any cap imposed upon the level of
 709 common expenses payable by the purchaser.

710 a. In no event shall the total common expense assessment
 711 for the multisite timeshare plan in a given calendar year exceed
 712 125 percent of the total common expense assessment for the plan
 713 in the previous calendar year.

714 b. Component site common expenses and ad valorem taxes
 715 shall not be included in calculating the total common expense
 716 assessment under sub-subparagraph a.

717 3. A description of the entity responsible for the
 718 determination of the common expenses of the multisite timeshare
 719 plan, as well as any entity which may increase the level of
 720 common expenses assessed against the purchaser at the multisite
 721 timeshare plan level.

722 4. A description of the method used to collect common
 723 expenses, including the entity responsible for such collections,
 724 and the lien rights of any entity for nonpayment of common
 725 expenses. If the common expenses of any component site are
 726 collected by the managing entity of the multisite timeshare
 727 plan, a statement to that effect together with the identity and
 728 address of the escrow agent required by s. 721.56(3).

729 5. If the purchaser will receive an interest in a
 730 nonspecific multisite timeshare plan, a statement that a
 731 multisite timeshare plan budget is attached to the public
 732 offering statement as an exhibit pursuant to paragraph (7)(c).
 733 The multisite timeshare plan budget shall comply with the
 734 provisions of s. 721.07(5)(t).

735 6. If the developer intends to guarantee the level of
 736 assessments for the multisite timeshare plan, such guarantee
 737 must be based upon a good faith estimate of the revenues and
 738 expenses of the multisite timeshare plan. The guarantee must
 739 include a description of the following:

740 a. The specific time period, measured in one or more
 741 calendar or fiscal years, during which the guarantee will be in
 742 effect.

743 b. A statement that the developer will pay all common
 744 expenses incurred in excess of the total revenues of the
 745 multisite timeshare plan, if the developer is to be excused from
 746 the payment of assessments during the guarantee period.

747 c. The level, expressed in total dollars, at which the
 748 developer guarantees the assessments. If the developer has
 749 reserved the right to extend or increase the guarantee level, a
 750 disclosure must be included to that effect.

751 7. If required under applicable law, the developer shall
 752 also disclose the following matters for each component site:

753 a. Any limitation upon annual increases in common
 754 expenses;

755 b. The existence of any bad debt or working capital
756 reserve; and

757 c. The existence of any replacement or deferred
758 maintenance reserve.

759 (5) (a) Such other information as the division determines
760 is necessary to fairly, meaningfully, and effectively disclose
761 all aspects of the multisite timeshare plan, including, but not
762 limited to, any disclosures made necessary by the operation of
763 s. 721.03(8). ~~However,~~

764 (b) If a developer has, in good faith, attempted to comply
765 with the requirements of this chapter ~~section~~, and if, in fact,
766 the developer has substantially complied with the ~~disclosure~~
767 requirements of this chapter, nonmaterial errors or omissions
768 are not actionable, are not violations of this chapter, shall
769 not be actionable and do not give rise to any purchaser
770 cancellation right.

771 (7) The following documents shall be included as exhibits
772 to the filed public offering statement, if applicable:

773 (1)1. If the multisite timeshare plan contains any
774 component sites located in this state, the information required
775 by s. 721.07(5) pertaining to each such component site unless
776 exempt pursuant to s. 721.03.

777 2. If the purchaser will receive ~~a timeshare estate~~
778 ~~pursuant to s. 721.57,~~ or an interest in a specific multisite
779 timeshare plan, ~~in a~~ component site located outside of this
780 state but which is offered in this state, the information

781 required by s. 721.07(5) pertaining to that component site,
 782 provided, however, that the provisions of s. 721.07(5)(t) shall
 783 only require disclosure of information related to the estimated
 784 budget for the timeshare plan and purchaser's expenses as
 785 required by the jurisdiction in which the component site is
 786 located.

787 Section 11. Paragraph (c) of subsection (2) of section
 788 721.551, Florida Statutes, is amended to read:

789 721.551 Delivery of multisite timeshare plan purchaser
 790 public offering statement.—

791 (2) The developer shall furnish each purchaser with the
 792 following:

793 (c) If the purchaser will receive ~~a timeshare estate~~
 794 ~~pursuant to s. 721.57, or an interest in a specific multisite~~
 795 ~~timeshare plan, in a component site located in this state, the~~
 796 developer shall also furnish the purchaser with the information
 797 required to be delivered pursuant to s. 721.07(6)(a) and (b) for
 798 that ~~the component site in which the purchaser will receive an~~
 799 ~~estate or interest in a specific multisite timeshare plan.~~

800 Section 12. Subsection (2) and paragraph (c) of subsection
 801 (3) of section 721.552, Florida Statutes, are amended to read:

802 721.552 Additions, substitutions, or deletions of
 803 component site accommodations or facilities; purchaser remedies
 804 for violations.—Additions, substitutions, or deletions of
 805 component site accommodations or facilities may be made only in
 806 accordance with the following:

807 (2) SUBSTITUTIONS.—

808 (a) Substitutions are available only for nonspecific
 809 multisite timeshare plans. Specific multisite timeshare plans ~~or~~
 810 ~~plans offering timeshare estates pursuant to s. 721.57~~ may not
 811 contain an accommodation substitution right.

812 (b) The timeshare instrument shall provide for the
 813 following:

814 1. The basis upon which new accommodations and facilities
 815 may be substituted for existing accommodations and facilities of
 816 the multisite timeshare plan; by whom substitutions may be made;
 817 and the basis upon which the determination may be made to cause
 818 such substitutions to occur.

819 2. The replacement accommodations and facilities must
 820 provide purchasers with an opportunity to enjoy a substantially
 821 similar or improved vacation experience as compared to ~~as was~~
 822 the experience available at ~~with~~ the replaced accommodation or
 823 facility. In determining whether the replacement accommodations
 824 and facilities will provide a substantially similar or improved
 825 vacation experience, all relevant factors must be considered,
 826 including, but not limited to, some or all of the following:
 827 size, capacity, furnishings, maintenance, location (geographic,
 828 topographic, and scenic), demand, and availability for purchaser
 829 use, and recreational capabilities.

830 3. The extent, if any, to which purchasers will have the
 831 right to consent to any proposed substitutions.

832 (c) No substitutions may be made during the first year

833 after the developer begins to offer the multisite timeshare
834 plan.

835 (d)1. If the timeshare instrument provides that the
836 developer, acting unilaterally, is the person authorized to make
837 substitutions, the developer may not substitute ~~No more than 25~~
838 ~~percent of the available accommodations in the multisite~~
839 ~~timeshare plan at a given component site may undergo~~
840 ~~substitution~~ in a given calendar year pursuant to paragraph (e)
841 if the amount of such substituted accommodations provides more
842 than 10 percent of the total annual use availability in the
843 multisite timeshare plan calculated in 7-day increments ~~in which~~
844 ~~substitution is permitted. This paragraph shall be interpreted~~
845 ~~to permit the substitution of an entire component site over a 4-~~
846 ~~year period.~~

847 2. If the timeshare instrument provides that the managing
848 entity is the person authorized to make substitutions, and the
849 managing entity is under common ownership or control with the
850 developer, the managing entity may not substitute available
851 accommodations in the multisite timeshare plan in a given
852 calendar year pursuant to paragraph (e) if the amount of such
853 substituted accommodations provides more than 10 percent of the
854 total annual use availability in the multisite timeshare plan
855 calculated in 7-day increments.

856 3. If the timeshare instrument provides that the managing
857 entity is the person authorized to make substitutions, and the
858 managing entity is not under common ownership or control with

859 the developer, the managing entity may not substitute available
860 accommodations in the multisite timeshare plan in a given
861 calendar year pursuant to paragraph (e) if the amount of such
862 substituted accommodations provides more than 25 percent of the
863 total annual use availability in the multisite timeshare plan
864 calculated in 7-day increments.

865 4. If the person authorized to make substitutions
866 receives, within 21 days after the date of the notice of
867 substitution required by paragraph (e), a written objection to
868 the proposed substitution from at least 10 percent of all
869 purchasers in the multisite timeshare plan, a meeting of the
870 purchasers must be conducted by the managing entity within 30
871 days after the end of such 21-day period. The proposed
872 substitution is ratified unless it is rejected by a majority of
873 purchasers voting in person or by proxy at the meeting, provided
874 that at least 25 percent of all purchasers cast votes. This
875 subparagraph does not apply if the timeshare instrument provides
876 that purchasers do not have the right to consent to any proposed
877 substitutions.

878 5. This paragraph does not apply if the proposed
879 substitution is approved in advance pursuant to paragraph (f).

880 (e) The person authorized to make substitutions shall
881 notify all purchasers of the multisite timeshare plan in writing
882 of her or his intention to delete accommodations or facilities
883 ~~at a given component site~~ and to substitute them with other
884 specified accommodations or facilities pursuant to this

885 subsection. This notice must be given at least 6 months in
 886 advance of the date that the proposed substitution will occur;
 887 must state the last day after the end of the 6-month period on
 888 which reservations will be accepted from purchasers for use of
 889 the accommodations to be deleted; and must state that purchasers
 890 shall have 21 days after the date of the notice of substitution
 891 to file a written objection with the person authorized to make
 892 substitutions, and the notice must inform the purchasers that
 893 they may reserve the use of the accommodations to be deleted
 894 during this 6-month period. At the end of the 6-month period,
 895 The person authorized to make substitutions may delete
 896 accommodations for substitution only after such accommodations
 897 have no pending purchaser use reservations to the extent that
 898 they were not reserved during the 6-month period.

899 (f) The person authorized to make substitutions may make
 900 unlimited substitutions ~~If the managing entity of a multisite~~
 901 ~~timeshare plan includes an owners' association composed of all~~
 902 ~~purchasers or a corporation which owns or controls the~~
 903 ~~accommodations and facilities of the plan, the board of~~
 904 ~~administration of either of which is comprised of a majority of~~
 905 ~~board members elected by purchasers other than the developer,~~
 906 ~~and if such managing entity has the right to make substitutions~~
 907 ~~pursuant to the timeshare instrument, all of the available~~
 908 ~~accommodations at a given component site may undergo~~
 909 ~~substitution~~ in a given year without compliance with paragraphs
 910 (d) and (e) if a proposed ~~a written plan of substitution~~ is

911 ~~provided to each purchaser has been approved~~ in advance by a
 912 majority of purchasers of the multisite timeshare plan voting in
 913 person or by proxy at a meeting called for that purpose,
 914 provided that at least 25 percent of the total number of
 915 purchasers cast votes ~~of the board of administration and by a~~
 916 majority of all purchasers in the plan. The plan of substitution
 917 ~~must:~~

918 1. ~~Specifically identify the component site being replaced~~
 919 ~~and the proposed substitute component site.~~

920 2. ~~Contain information regarding prior demand for~~
 921 ~~purchaser use of the component site being replaced.~~

922 3. ~~Provide the results of a survey of purchaser attitudes~~
 923 ~~regarding the component site being replaced and the proposed~~
 924 ~~substitute component site.~~

925 4. ~~Explain the practical and business reasons for~~
 926 ~~effecting a total substitution within the given calendar year.~~

927 5. ~~Provide a plan for handling reservation requests during~~
 928 ~~the substitution period for both the component site being~~
 929 ~~replaced and the proposed substitute component site.~~

930
 931 Substitutions made pursuant to this paragraph shall not be
 932 subject to the provisions of subparagraph (b)2.

933 (g) If the person authorized to make substitutions has
 934 fully complied with the applicable provisions of this subsection
 935 and the timeshare instrument, the trustee of a timeshare trust
 936 qualified under s. 721.53(1)(e) may convey title to any

937 accommodations and facilities that have been designated or
 938 approved for substitution as and when directed by the person
 939 authorized to make substitutions without any further vote or
 940 other authorization of the purchasers of the multisite timeshare
 941 plan.

942 (h) ~~(g)~~ The person who is authorized by the timeshare
 943 instrument to make substitutions to the multisite timeshare plan
 944 pursuant to this subsection shall act as a fiduciary in such
 945 capacity in the best interests of the purchasers of the plan as
 946 a whole and shall adhere to the demand balancing standard set
 947 forth in s. 721.56(6) in connection with such substitutions.
 948 Substitutions that are otherwise permitted may be made only so
 949 long as a one-to-one use right to use night requirement ratio is
 950 maintained at all times.

951 (3) DELETIONS.—

952 (c) Automatic deletion.—The timeshare instrument may
 953 provide that a component site will be automatically deleted upon
 954 the expiration of its term ~~in a timeshare plan other than a~~
 955 ~~nonspecific multisite timeshare plan~~ or as otherwise provided in
 956 the timeshare instrument. However, the timeshare instrument must
 957 also provide that in the event a component site is deleted from
 958 the plan in this manner, a sufficient number of purchasers of
 959 the plan will also be deleted, or a sufficient number of
 960 replacement accommodations and facilities that comply with
 961 subparagraph (2) (b)2. will be substituted for the deleted
 962 accommodations and facilities, so as to maintain no greater than

963 a one-to-one use right to use night requirement ratio.

964 Section 13. Subsection (5) of section 721.56, Florida
 965 Statutes, is amended to read:

966 721.56 Management of multisite timeshare plans;
 967 reservation systems; demand balancing.—

968 ~~(5)(a)1. The reservation system is a facility of any~~
 969 ~~nonspecific multisite timeshare plan. The reservation system is~~
 970 ~~not a facility of any specific multisite timeshare plan, nor is~~
 971 ~~it a facility of any multisite timeshare plan in which timeshare~~
 972 ~~estates are offered pursuant to s. 721.57.~~

973 ~~2. The reservation system of any multisite timeshare plan~~
 974 ~~shall include any computer software and hardware employed for~~
 975 ~~the purpose of enabling or facilitating the operation of the~~
 976 ~~reservation system.~~ Nothing contained in this part shall
 977 preclude a manager or management firm that is serving as
 978 managing entity of a multisite timeshare plan from providing in
 979 its contract with the purchasers or owners' association of the
 980 multisite timeshare plan or in the timeshare instrument that the
 981 manager or management firm owns the reservation system and that
 982 the managing entity shall continue to own the reservation system
 983 in the event the purchasers discharge the managing entity
 984 pursuant to s. 721.14.

985 ~~(b) In the event of a termination of a managing entity of~~
 986 ~~a nonspecific multisite timeshare plan, which managing entity~~
 987 ~~owns the reservation system, irrespective of whether the~~
 988 ~~termination is voluntary or involuntary and irrespective of the~~

989 ~~cause of such termination, in addition to any other remedies~~
 990 ~~available to purchasers in this part, the terminated managing~~
 991 ~~entity shall, prior to such termination, establish a trust~~
 992 ~~meeting the criteria set forth in this paragraph. It is the~~
 993 ~~intent of the Legislature that this trust arrangement provide~~
 994 ~~for an adequate period of continued operation of the reservation~~
 995 ~~system of the multisite timeshare plan, during which period the~~
 996 ~~new managing entity shall make provision for the acquisition of~~
 997 ~~a substitute reservation system.~~

998 ~~1. The trust shall be established with an independent~~
 999 ~~trustee. Both the terminated managing entity and the new~~
 1000 ~~managing entity shall attempt to agree on an acceptable trustee.~~
 1001 ~~In the event they cannot agree on an acceptable trustee, they~~
 1002 ~~shall each designate a nominee, and the two nominees shall~~
 1003 ~~select the trustee.~~

1004 ~~2. The terminated managing entity shall take all steps~~
 1005 ~~necessary to enable the trustee or the trustee's designee to~~
 1006 ~~operate the reservation system in the same manner as provided in~~
 1007 ~~the timeshare instrument and the public offering statement. The~~
 1008 ~~trustee may, but shall not be required to, contract with the~~
 1009 ~~terminated managing entity for the continued operation of the~~
 1010 ~~reservation system. In the event the trustee elects to contract~~
 1011 ~~with the terminated managing entity, that managing entity shall~~
 1012 ~~be required to operate the reservation system and shall be~~
 1013 ~~entitled to payment for that service. The payment shall in no~~
 1014 ~~event exceed the amount previously paid to the terminated~~

1015 ~~managing entity for operation of the reservation system.~~

1016 ~~3. The trust shall remain in effect for a period of no~~

1017 ~~longer than 1 year following the date of termination of the~~

1018 ~~managing entity.~~

1019 ~~4. Nothing contained in this subsection shall abrogate or~~

1020 ~~otherwise interfere with any proprietary rights in the~~

1021 ~~reservation system that have been reserved by the discharged~~

1022 ~~managing entity, in its management contract or otherwise, so~~

1023 ~~long as such proprietary rights are not asserted in a manner~~

1024 ~~that would prevent the continued operation of the reservation~~

1025 ~~system as contemplated in this subsection.~~

1026 ~~(c) In the event of a termination of a managing entity of~~

1027 ~~a timeshare estate or specific multisite timeshare plan, which~~

1028 ~~managing entity owns the reservation system, irrespective of~~

1029 ~~whether the termination is voluntary or involuntary and~~

1030 ~~irrespective of the cause of such termination, in addition to~~

1031 ~~any other remedies available to purchasers in this part, the~~

1032 ~~terminated managing entity shall, prior to such termination,~~

1033 ~~promptly transfer to each component site managing entity all~~

1034 ~~relevant data contained in the reservation system with respect~~

1035 ~~to that component site, including, but not limited to:~~

1036 ~~1. The names, addresses, and reservation status of~~

1037 ~~component site accommodations.~~

1038 ~~2. The names and addresses of all purchasers of timeshare~~

1039 ~~interests at that component site.~~

1040 ~~3. All outstanding confirmed reservations and reservation~~

1041 ~~requests for that component site.~~

1042 ~~4. Such other component site records and information as~~
 1043 ~~are necessary, in the reasonable discretion of the component~~
 1044 ~~site managing entity, to permit the uninterrupted operation and~~
 1045 ~~administration of the component site, provided that a given~~
 1046 ~~component site managing entity shall not be entitled to any~~
 1047 ~~information regarding other component sites or regarding the~~
 1048 ~~terminated multisite timeshare plan managing entity.~~

1049
 1050 ~~All reasonable costs incurred by the terminated managing entity~~
 1051 ~~in effecting the transfer of information required by this~~
 1052 ~~paragraph shall be reimbursed to the terminated managing entity~~
 1053 ~~on a pro rata basis by each component site, and the amount of~~
 1054 ~~such reimbursement shall constitute a common expense of each~~
 1055 ~~component site.~~

1056 Section 14. Section 721.57, Florida Statutes, is amended
 1057 to read:

1058 721.57 Offering of timeshare estates in specific multisite
 1059 timeshare plans; required provisions in the timeshare
 1060 instrument.-

1061 (1) In addition to meeting all the requirements of part I,
 1062 timeshare estates offered in a specific multisite timeshare plan
 1063 must meet the requirements of subsection (2). Any offering of
 1064 timeshare estates in a specific multisite timeshare plan that
 1065 does not comply with these requirements shall be deemed to be an
 1066 offering of a timeshare license.

1067 (2) The timeshare instrument of a specific multisite
 1068 timeshare plan in which timeshare estates are offered, ~~other~~
 1069 ~~than a trust meeting the requirements of s. 721.08,~~ must contain
 1070 or provide for all of the following matters:

1071 (a) The purchaser will receive a timeshare estate as
 1072 defined in s. 721.05 in one of the component sites of the
 1073 specific multisite timeshare plan. The use rights in the other
 1074 component sites of the multisite timeshare plan shall be made
 1075 available to the purchaser through the reservation system
 1076 pursuant to the timeshare instrument.

1077 (b) In the event that the reservation system is terminated
 1078 or otherwise becomes unavailable for any reason prior to the
 1079 expiration of the term of the specific multisite timeshare plan:

1080 1. The purchaser will be able to continue to use the
 1081 accommodations and facilities of the component site in which she
 1082 or he has been conveyed a timeshare estate in the manner
 1083 described in the timeshare instrument for that component site
 1084 for the remaining term of the timeshare estate; and

1085 2. Any use rights in that component site which had
 1086 previously been made available through the reservation system to
 1087 purchasers of the specific multisite timeshare plan who were not
 1088 offered a timeshare estate at that component site will terminate
 1089 when the reservation system is terminated or otherwise becomes
 1090 unavailable for any reason.

1091 Section 15. Section 721.58, Florida Statutes, is amended
 1092 to read:

1093 721.58 Filing fee; ~~annual fee.~~—

1094 ~~(1)~~ The developer of the multisite timeshare plan shall
 1095 pay the filing fee required by s. 721.07(4)(a); however, the
 1096 maximum amount of such filing fee shall be \$25,000 or the total
 1097 filing fee due with respect to the timeshare units in the
 1098 multisite timeshare plan that are located in this state pursuant
 1099 to s. 721.07(4)(a), whichever is greater.

1100 ~~(2)~~ ~~The managing entity of the multisite timeshare plan~~
 1101 ~~shall pay the annual fee required by s. 721.27; provided,~~
 1102 ~~however, that the maximum amount of such annual fee shall be~~
 1103 ~~\$25,000 or the total annual fee due with respect to the~~
 1104 ~~timeshare units in the multisite timeshare plan that are located~~
 1105 ~~in this state calculated pursuant to s. 721.07(4)(a), whichever~~
 1106 ~~is greater.~~

1107 Section 16. This act shall take effect July 1, 2015.